

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
717 14TH STREET, N.W., WASHINGTON, DC 20005

ORDER

JUL 31 2000

CC: 96-455

FEDERAL COMMUNICATIONS COMMISSION
 OFFICE OF THE SECRETARY

December 17, 1998

FORMAL CASE NO. 962, IN THE MATTER OF THE IMPLEMENTATION OF
THE DISTRICT OF COLUMBIA TELECOMMUNICATIONS ACT OF 1996 AND
IMPLEMENTATION OF THE TELECOMMUNICATIONS ACT OF 1996, Order No.
11265

I. INTRODUCTION

On September 30, 1997, Bell Atlantic - Washington, D.C., Inc. "BA-DC" or the "Company") requested that the Public Service Commission of the District of Columbia ("Commission") 1) designate it as an eligible carrier; 2) designate the District of Columbia as the universal service area; and 3) adopt BA-DC's current advertising and outreach efforts for the Economy II Service program.¹ By Order issued October 16, 1997, the Commission designated Washington, D.C., as the universal service area.² This Order grants BA-DC's remaining requests by designating the Company as an eligible telecommunications carrier and reaffirming The Commission's approval of BA-DC's current advertising and outreach efforts for the Economy H Service and Lifeline Connection Assistance ("Link Up") programs, as revised by Order No. 11286.³

II. BACKGROUND

The federal government created the Lifeline Assistance ("Lifeline") and Lifeline Connection Assistance ("Link Up") programs in 1985 as mechanisms for increasing telephone subscribership among low income consumers by reducing monthly service charges through Lifeline and reducing initial service connection charges through Link Up.⁴ The Telecommunications Act of 1996 (the

¹ Formal Case No. 962, Letter from J. Henry Ambrose to Jesse P. Clay, Jr., at 3 (dated September 30, 1997) ("Application"); Letter from Hank Ambrose to Jesse P. Clay, Jr., (December 12, 1997) entitled "Supplement to request for Eligible Carrier Status."

² Formal Case No. 962, Order No. 11073 (October 16, 1997).

³ TT 97-13, *In the Matter of the Application of Bell Atlantic- Washington, D. C, Inc., for Authority to Amend the Local Exchange Services Tariff, P. S. C - D. C 202, and General Services Tariff, P. S. C-D.C.No.203*, Order No. 11286. (November 5, 1998).

⁴ *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45 (May 8, 1997) ("Report and Order"), at 11329-30.

"Act")⁵ required the States to open their local telecommunications markets to competition and directed the Federal Communications Commission ("FCC") to ensure that telecommunications services are universally available to consumers throughout the country at an affordable price.⁶ The Act required the FCC to establish a universal service support fund as a means of paying for, *inter alia*, the services provided under The Lifeline and Link Up programs. All telecommunications carriers are required to contribute to the universal service support fund and may, in turn, receive support from the fund if they have been designated an eligible telecommunications carrier by the appropriate State Commission.⁷

In order to be designated as eligible to receive universal service support, a carrier must offer and advertise throughout their service area all of the telecommunications services supported by the Lifeline and Link Up programs. Carriers must provide these telecommunications services using their own facilities or a combination of their own facilities and resale of another carrier's services.⁸ Congress delegated to the FCC the authority to identify the services to be supported by universal support mechanisms, including Lifeline and Link Up. The FCC has identified those services as: 1) single-party service; 2) voice-grade access to the public switched network; 3) dual tone multifrequency signaling or its functional equivalent; 4) access to emergency services; 5) access to operator services; 6) access to interexchange services; 7) access to directory assistance; and 8) toll limitation services for qualifying low-income consumers.⁹

III. ANALYSIS AND DECISION

BA-DC asserts that it meets all of the above-referenced criteria for designation as an eligible carrier. Specifically, BA-DC states that it currently uses its own facilities to operate a telecommunications business in the District of Columbia; that, as part of its Economy II Service program, it offers and advertises all of the services designated by the FCC for support under the Lifeline and Link Up programs; and that it provides voice-grade access to the public switched network at a frequency range of between approximately 300 Hertz (Hz) and 3,000 Hz. for a bandwidth of 2,700 Hz.¹⁰ Additionally, by Order issued November 5, 1998, the Commission

⁵ Communications Act of 1934, as amended by the Telecommunications Act of 1996, 47 U.S.C. § 251 *et seq.* (Supp. 1998).

⁶ 47 U.S.C. § 214(c)(2) (Supp. 1998).

⁷ *Id.*

⁸ Report and Order at ¶ 34; see also 47 U.S.C. § 214(e) (Supp. 1998).

⁹ Report and Order at ¶ 61; see also 47 U.S.C. § 214(e) Supp. 1998).

¹⁰ In its original Report and Order, the FCC required an eligible carrier to offer voice-grade access in the frequency range between approximately 500 Hz and

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approved BA-DC's application to amend its Local Exchange Services Tariff in order to comport with the new federal requirements for the Lifeline and Link Up programs.¹¹

We find that BA-DC has demonstrated that it currently operates a telecommunications business in the District of Columbia and that it uses its facilities to offer the services designated for support under the Lifeline and Link Up programs. With regard to the advertising requirement, the Commission has previously directed BA-DC to advertise the availability of these services in media of general distribution and has required BA-DC to file monthly reports with the Commission which detail the Company's outreach efforts.¹² In Order No. 11286, the Commission required BA-DC to advertise the availability of Economy II Service "for two consecutive weeks in one or more newspapers generally distributed throughout the service area and using generally understood language which explains all changes to the Service." We find that the Commission's advertising requirements are consistent with those established by federal law and we reaffirm them in this Order. Based on the above findings, we conclude that BA-DC has satisfied all the criteria for being designated an eligible carrier under federal law and consequently is entitled to receive federal universal service support effective January 1, 1998.

4,000 Hz for a bandwidth of approximately 3,500 Hz. However, in its Fourth Report and Order, The FCC changed the frequency range to 300 Hz to 3,000 Hz. BA-DC has filed a sworn affidavit attesting to its claim that it now meets the frequency and bandwidth requirements established by the FCC. See Formal Case No. 962, Affidavit of Charles H. Eppert, III, Director of Technical Regulatory Planning for Bell Atlantic Corporation Network Services, Inc. filed December 24, 1997.

¹¹ TT97-13, *supra* note 3.

¹² The Commission has previously approved BA-DC's (formerly Chesapeake and Potomac Telephone Company) Economy II advertising and outreach efforts. See Formal Case No. 850, *In the Matter of Investigation into the Reasonableness of the Authorized Returns on Equity, Rate of Return, and Current Charges and Rates for Telecommunications Services Offered by Chesapeake and Potomac Telephone Company*, Order No. 10115 at 4-5 (November 13, 1992); see also Formal Case No. 850, *In the Matter of Investigation into the Reasonableness of the Authorized Returns on Equity, Rate of Return, and Current Charges and Rates for Telecommunications Services Offered by Chesapeake and Potomac Telephone Company*, Order No. 10142 (January 7, 1993).

Order No. 11265**Page 4****THEREFORE, IT IS ORDERED THAT:**

1. The Application of Bell Atlantic - Washington, D.C., Inc. is granted;
2. The Commission designates Bell Atlantic - Washington, D.C., Inc., as an eligible telecommunications carrier in the District of Columbia for purposes of receiving federal universal service support effective January 1, 1998; and
3. In accordance with 47 C.F.R. § 54.401 (d), the Commission directs Bell Atlantic - Washington, D.C., Inc., to file information with the Universal Service Administrative Company ("USAC") Administrator which demonstrates that BA-DC's Lifeline plan meets the criteria set forth in the FCC's regulations and states the number of qualifying low-income consumers and the amount of state assistance required.

A TRUE COPY**BY DIRECTION OF THE COMMISSION:****CHIEF CLERK****JESSE P. CLAY, JR.
COMMISSION SECRETARY**